

## EXHIBIT 13b: NARRATIVE SUMMARY

Company Name:	<b>CDPHP Universal Benefits, ® Inc.</b>
NAIC Code:	<b>47027</b>
SERFF Tracking #:	<b>CAPD- 133641929</b>
Market Segment:	<b>Small Group</b>

CDPHP Universal Benefits, Inc. (CDPHP UBI) offers EPO, PPO and high deductible products on a community-rated basis to small groups.

CDPHP UBI has filed a request for approval by the New York State Department of Financial Services for a change to the premium for these products effective January 1, 2024. Policyholders will receive rate adjustments upon their renewal in 2024. The weighted average premium adjustment is 12.4%. 24,587 members and 14,785 policyholders are affected by this request.

As a not-for-profit health plan, CDPHP takes seriously its responsibility to control rising health care costs and be a good steward of your premium dollars. However, we cannot ignore the fact that CDPHP and its competitors are facing difficult financial headwinds, due in large part to rising hospital consolidation and staffing shortages, rapidly rising drug prices, particularly in the specialty drug market, as well as lingering effects from the COVID-19 crisis and pent-up demand for medical services put on hold during the pandemic.

CDPHP is working hard to alleviate these cost increases in a variety of ways, such as:

### ***Enhanced CDPHP Pharmacy Strategy***

- A new pharmacy benefit manager, CapitalRx, which catapults the CDPHP pharmacy strategy ahead of its competitors, ensuring quality, cost, access, and transparency for patients, providers, and small and large businesses.
- Expansion of our popular Rx for Less prescription drug savings program which offers members access to dozens of generic medications for as low as a penny a pill. In 2023, the program doubled in size with the addition of many new national, supermarket, and independent pharmacies offering this money-saving program.
- The opening of two independent retail pharmacies, CDPHP ConnectRx, which offers high-touch customer service and free at-home delivery services.
- CDPHP ConnectRx, On the Go, a pharmacy app that gives members the power to switch pharmacies and find prescription savings from the palm of their hand.

### ***Partnering with Provider Community***

- An innovative partnership with Community Care Physicians, which will decrease the administrative burden on physicians and result in more coordinated, comprehensive, and cost-effective care for patients.
- Paying providers for quality, not quantity, through our nationally recognized Enhanced Primary Care program, which has not only reduced the costs, but increased the quality of care our members receive.

- Our innovative Hospital to Home program, designed to improve our members' experience of inpatient hospital care, all while reducing costs and avoiding unnecessary readmissions.

### ***Innovation***

- Expansion of no and low-cost telemedicine options to improve speed to medical and behavioral health care services.
- The addition of new virtual behavioral health care platforms that provide members with quick and affordable access to mental health and substance use services.
- CDPHP Price Check, an innovative cost transparency tools that provide members estimated costs on a range of health care services and prescription drugs.
- Movement of services to more cost-effective outpatient settings, such as freestanding surgical centers.
- Establishment of a virtual cardiac rehabilitation program that significantly reduces the likelihood of a subsequent cardiac event and costly hospital readmission.
- Case management and medication therapy management services, available at no out-of-pocket cost.

The 2024 expected change in medical and pharmacy costs due to trends is +8.2%.

Federal Risk Adjustment is a program that requires insurance carriers with low-risk members to pay into a fund that covers high-risk members. As a result of an anticipated receivable into this program, the rates have decreased; -0.9%.

CDPHP UBI is required by New York state insurance law to meet a minimum medical loss ratio (MLR) standard of 82%. This means that 82% of premiums must be used to cover health care costs. CDPHP UBI will maintain this minimum requirement in 2024 with an MLR of 82.0%

EXHIBIT 13a: NUMERICAL SUMMARY AND RATE INDICATION CALCULATION

NUMERICAL SUMMARY

Company	CDPHP UBI
NAIC Code:	47027
SERFF Tracking #:	CAPD-133641929
Market Segment:	Small Group

- 1 Please complete the Numerical Summary below as well as the Narrative Summary (a separate attachment) for each market segment for which a rate filing is being submitted.  
2 The Narrative Summary must be in plain English and should clearly and simply explain the reasons for the requested rate adjustment (This should be included in the provided blank template "2024 Exhibit 13b - Narrative Summary.docx")  
3 The purpose of the Narrative Summary is to provide a written explanation to the company's policyholders to help them understand the reasons why a rate increase is needed.  
4 The purpose of the Numerical Summary is to provide a clear and simple overview of the requested rate adjustment.  
5 These Summaries (with the exception of the Rate Indication Calculation Section) will be public documents and will be posted on DFS's website and furnished by DFS to the public upon request.  
6 The company should submit these Summaries to DFS ten (10) days before submitting a rate adjustment filing.  
7 A draft of these Summaries and of the Initial Notice must be included in a "Prior Approval Pre-filing" submitted to DFS via SERFF.  
8 Once reviewed by DFS, these Summaries must be posted to a location on its website that is publicly available and accessible without the need for a user ID/password.  
9 Links should be provided on key pages of the company's website so that the information may be easily located.  
10 Any change(s) made to the Narrative Summary/Numerical Summary subsequent to the posting must be submitted to DFS with the specific change(s) identified.  
11 Rate Change Adjustment calculations between Year 2023 and 2024 should be based on the DFS Membership Survey data as of 3/31/2023.  
12 This exhibit must be submitted as an Excel file and as a PDF file.

A. Average 2023 and 2024 Premium Rates:

- 1 Weighted Average Monthly Base Premium Rates are as calculated in Row 32 of the appropriate columns in Exhibit 13c (Columns L-P for 2023 and Columns U-Y for 2024)  
2 Premium Rates for 2024 should be Consistent with the Premium Rates reflected in Exhibit 23.

	Average Individual Rate Platinum	Average Individual Rate Gold	Average Individual Rate Silver	Average Individual Rate Bronze	Average Individual Rate Catastrophic
2023 Weighted Average Base Premium Rates	\$ 959.05	\$ 850.70	\$ 742.22	\$ 652.55	
2024 Weighted Average Base Premium Rates	\$ 1,123.04	\$ 937.98	\$ 815.48	\$ 719.17	

B. Weighted Average Annual Percentage Requested Adjustments:

	2023 to 2024	2023 Weighted Average PMPM Rate All - Metals	2024 Weighted Average PMPM Rate All - Metals
Requested Rate Adjustment	12.37787%	\$ 713.41	\$ 801.71

From Cells Q-74 and Z-74 of Exhibit 13c

C. Weighted Average Annual Percentage Adjustments for each of the Past Two Years [If Applicable]\*:

	2021 to 2022	2022 to 2023
Average Rate Adjustment Requested	11.13373%	20.03088%
Average Rate Adjustment Approved	9.00374%	10.99134%

D. Average Medical Loss Ratios [MLR] for All Policies Impacted [Ratios of Incurred Claims to Earned Premiums] [If Applicable]\*:

	2020	2021	2022	Projected 2023	Projected 2024
MLR	82.4%	96.8%	89.9%	88.2%	83.6%

E. Claim Trend Rates and Average Ratios to Earned Premiums [Per Exhibit 18 Supplement for 2021-2023 and Comparable Exhibits for 2021] [If Applicable]\*:

	2022	2023	2024
Annual Claim Trend Rates	4.4%	7.4%	8.2%
Expense Ratios	13.4%	14.0%	16.0%
Pre Tax Profit Ratios	0.0%	0.0%	2.0%

\* If no products were offered in a particular year, indicate "N/A" in the applicable box.